

[Study Finds Wildfires Disproportionately Impact Lower-Income Families](#)

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Non-renewals, higher premiums, and costly property improvements make wildfires even worse for already marginalized homeowners

Climate change and California's historic drought are stretching fire season beyond its traditional boundaries, causing worse and more costly wildfires, and according to a new study, they're disproportionately impacting the most marginalized.

"Income and Insurability as Factors in Wildfire Risk," published in the July issue of *Forest* and authored by two researchers from the University of Georgia, found that in counties with a high risk of wildfire, the majority of homeowners were lower-income, making it more difficult to retrofit their houses and to maintain their homes' fire defense—leaving owners more vulnerable to insurance non-renewals and cancellations.

Using data from the U.S. Forest Service, First Street Foundation Wildfire Model, and the U.S. Census Bureau, authors Matthew Auer, Dean of the School of Public and International Affairs at the University of Georgia, and graduate student Benjamin Hexamer, examined the connection between high poverty rates and high wildfire risk "with the issue of insurability," Auer told LAMag.

The study identified 98 counties in 14 states with the highest wildfire risk by acres burned annually. It also rated each county on a Wildfire Hazard Potential (WHP) scale of 1 through 5—very low (1), low (2), moderate (3), high (4), and very high (5).

In 12 of the 14 states analyzed—including California—60 percent of counties with a WHP of 3 or greater also had poverty rates of 12.3 percent or greater.

Wildfires are becoming more frequent and severe. According to the study “undesirable and erratic wildfires”—rather than controlled—“burned an average of 7.36 million acres per annum in the United States, representing a 37.4 percent increase” over the previous twenty years.

Such a dramatic increase stems largely from climate change which is amplifying the exhaustive list of variables such as “persistent drought, mild winters, increased days of scorching summertime temperatures, earlier snowmelt timing, increased vapor pressure deficit and wind speeds, increased length of rain-free intervals, [and] the geographical expansion of forest-killing pests and pathogens.”

The study also states that “the build-up of forest fuels” is contributing, “partly resulting from a prior era of faulty forest management practices.”

One of the issues that homeowners face is the non-renewal or cancelation of their homeowners’ insurance. “Discontinuance of homeowners’ policies due to wildfire risk increased substantially in California in 2018 and 2019 as insurance companies incurred major losses on policies in wildfire-prone regions.”

Non-renewals in 2018-19 spiked 31 percent statewide according to the California Department of Insurance (CDI) but eventually began to drop in 2020 after California implemented its one-year moratoriums on non-renewals in communities recently hit by a wildfire.

“Temporary non-renewal moratoriums are essential to California property owners and communities as stakeholders work to reduce wildfire risk and restore available and affordable insurance options,” said Amy Bach, Executive Director of United Policyholders, in a CDI press release. “The science behind incentivizing home safety is indisputable and supported by consumer groups and first responders. Commissioner Lara has undertaken reforms of the FAIR Plan that are long overdue and will help homeowners in the future even after we solve this non-renewal issue.”

However, although non-renewals have dropped, so-called “last resort” policies issued by the California FAIR plan have continued to increase throughout the state, “which generally entails expensive premiums and more limited coverage,” the study explained.

Having insurance is important for homeowners, but for those who lose their insurance it can be difficult to find a replacement policy, especially if they need to make costly improvements to their home fire

defense such as tree trimming, ember and fire-resistant vents, or upgrading to fire-resistant materials.

“Adopting these measures, out of pocket, poses comparatively higher economic burdens on lower-income households,” the study said.

Nonetheless, Auer believes that despite the escalating fire seasons, California is still leading the charge compared to other states with its moratoriums and the recently launched Safer from Wildfires program that aims to increase wildfire prevention tactics in communities.

“We assume that direct, governmental aid programs—comparable to Safer from Wildfires— will be needed to assist lower-income homeowners,” the authors found. “Counties are vital service-providers for rural and unincorporated areas, including sparsely populated, lower-income areas that receive few or no municipal services.”

For Auer, personal improvements are vital for combating wildfires, but in our conversation, he emphasized on the necessity of the community effort, something that in rural communities where homes are spread out further can be more difficult to achieve.

“You can make all kinds of changes to make your house safer from wildfires but if your neighbor doesn’t, it’s not going to be sufficient,” Auer says. “You’re not going to be safe if in the absence of cooperation and collaboration from others, you make all the interventions—to be truly successful, it needs to be a community-based endeavor.”